



REPORT/RECOMMENDATION

To:	EDINA PARK BOARD	Agenda Item	<u>Item No. VIII. D.</u>
From:	John Keprios, Director <i>[Signature]</i> Park and Recreation Department	<input checked="" type="checkbox"/>	Action
		<input type="checkbox"/>	Discussion
Date:	March 6, 2012	<input type="checkbox"/>	Information
Subject:	Art Center Study Submittals and RFP – Art Center Board		

ACTION REQUESTED:

The Edina Art Center Board recommends that the City Council reject both Art Center study submittals, re-write the Request for Proposal (RFP), narrow the scope of the study and re-submit for bid.

INFORMATION/BACKGROUND:

Two proposals from consultants were received by the January 31, 2012 deadline in response to the Art Center RFP. The proposals were reviewed by Art Center Board members and at their February 23, 2012 meeting the Art Center Board passed the following motion:

- 1) The Art Center Board received and reviewed the proposals for the RFP.
- 2) The Art Center Board recommends that the City Council reject the two proposals because both submittals appear to be too broad in their current form.
- 3) The Art Center Board also recommends refining the RFP by identifying the key issues to narrow the scope of the study and re-issue for bid.

The motion was seconded and passed by a majority of board members. Two members opposed the motion. The Art Center Board is willing to assist with narrowing the scope of the revised RFP by identifying and recommending what they believe to be the most important key issues to be studied.

To assist the Art Center Board in their discussion, Board Member Thomas Raeuchle submitted a spreadsheet comparison of the two submittals. A copy of that spreadsheet is attached to this report.

On Sunday, February 26, Herman Milligan, Managing Partner of The Fulton Group, submitted to me via email an RFP Qualifications Matrix of the two submittals. A copy of his assessment is also attached to this report.

The attached Request for Proposal letter recommended by the Art Center Board and approved by City Council was mailed to 30 different consulting firms (see attached list) on December 28, 2011. We can only speculate why the response was so low. One possibility may have been the scope of the study without a defined budget and the other was the actual list of consultants itself. As we did with the Edinborough Study and Sports Dome Study, part of the strategy was to send the RFP to architect firms in hopes that they would seek partners who have experience with Art Center programming and operations.

The majority of Art Center Board members believe that we could secure more submittals if we were to re-write the Request for Proposal letter as suggested above and seek more consultants both in-state and out-of-state who are more qualified in the area of Art Center operations and management.

Another option that staff suggests worthy of consideration is to do the following:

- Work with the Art Center Board to recommend to the City Council key issues of the highest priority in an effort to narrow the scope of the study.
- If the Council approves a narrowed scope, staff and three Art Center Board Members would interview the two consulting firms and request them to re-submit their proposal.
- With the three Art Center Board Members' input, staff would then make a recommendation to the City Council.

I believe we have two qualified candidates to choose from and staff's recommendations above are an attempt to expedite the process. Staff will of course carry out whatever process the Council desires.

ATTACHMENTS:

- December 28, 2011 Letter to Consultants (RFP)
- List of Consultants
- February 27, 2012 Email from Bill McCabe
- Spreadsheet Submitted by Thomas Raeuchle
- Spreadsheet Submitted by Herman Milligan



December 28, 2011

City of Edina

Dear Art Center Consultant:

The City of Edina is interested in retaining the services of a qualified professional consultant to study the operations of the Edina Art Center. The City's vision for its Art Center enterprise is that it provides the best visual arts experience in the State of Minnesota while generating sufficient revenues to cover close to 100% of its total annual costs.

Key Questions

ORGANIZATIONAL STRUCTURE

The Edina Art Center is currently owned and operated by the City of Edina under the direction of the Edina City Council with advice from volunteer members of the Edina Art Center Board and City of Edina professional staff.

- Is there an alternative organizational structure that the City of Edina should consider, such as a 501(C)(3) organizational structures or is it financially more feasible for the City of Edina to continue to operate the Edina Art Center in its current format?
- What are the advantages and disadvantages of becoming a 501(C)(3) organizational structure?
- How does the Edina Art Center's current organizational structure compare to other suburban Art Centers in the Twin Cities area?
- Is City funding contribution possible with a 501(C)(3) organizational structure? If so, what is the typical contribution?
- Under a 501(C)(3) organizational structure, how are cash and in-kind contributions handled and how are capital improvements handled?
- If the City leases a building to a 501(C)(3) organization, what are the legal implications, liability and limitations?

MISSION

Is the Edina Art Center's mission statement in line with the community's current needs and desires for visual arts?

PROGRAMS, SERVICES AND PARTNERSHIPS

The Edina Art Center has a wide variety of visual arts programs and services including a Media Arts Studio.

- To achieve a stronger cost recovery percentage, are there program and service offerings that should no longer be offered and are there other programs and/or services that should be either added or expanded?
- What partnership opportunities should be explored that would be more cost effective method of providing visual arts programs and services, such as Edina Community Education?

OPERATIONS

Current and past financial statements, operating budgets and business plans will be provided to the consultant as well as current operational practices and policies to be made available for analysis.

- Identify the current strengths of the Edina Art Center
- What operational practices, procedures and staffing allocation changes are recommended to improve operational efficiencies?
- What fees and charges should be changed (increased or decreased) that would result in more revenues?
- What changes in the Gift Shop operations might result in increased revenues?

BENCHMARKS/COMPARABLES

What benchmarks are used to evaluate art centers, and how does the EAC compare in terms of:

- Size (is there a critical mass in terms of square footage; is there a correlation between size and cost recovery)
- Gallery space and layout
- Classroom space
- Flex space
- Facility maintenance cost per square foot
- Personnel (headcount and cost)
- Facility utilization
- Facility revenue (as opposed to programming revenue)
- Programming (courses, performances, shows)
- Cost per participant/visitor
- Percentage of cost recovered by programming type (e.g. pottery, painting, etc.)
- Who has successful art centers and how are they programmed, organized, funded and what makes them successful and how do they market their programs

Analyze at least 3 comparable art centers in MN and 3 outside MN in cities of similar size and/or arts budgets.

Give some examples of successful arts center programs housed in multi-use facilities?

What is a measure for community support and what is the result in Edina?

MARKETING, ADVERTISING, REGISTRATION AND MEMBERSHIPS

The consultant should examine and comment on the following aspects of the Edina Art Center:

- Membership practice (does it offer enough value to members?)
- Marketing and advertising plan (do we spend enough on advertising and in the right areas?) and market analysis compared to other Art Centers in the Twin Cities.
- What are the demographic-based market trend forecasts for the Edina Art Center?
- Analyze the current website and marketing techniques of the Edina Art Center as it relates to potential increase in revenue.
- Registration process (identify areas for improvement including online registration and data management software)

The consultant's response will include recommendations on the aforementioned topical areas in a format that is responsive to the City's key questions.

The City of Edina is interested in hiring a consultant who is independent, unbiased and without a conflict of interest. Please describe any relationships that the owners, principals or team members may have to the Edina Art Center.

EXPERIENCE

In your response to this Request for Proposal, please include your firm's previous experience studying art center operations and/or similar facilities for the past ten years.

CONSULTING TEAM MEMBERS

Please include the names of all of your team members who will be involved in the study and a brief background of their qualifications.

APPROACH TO THE PROJECT AND PROCESS

Please include your proposed approach to this study and what process your firm would use to conduct the study and make recommendations. Please include your proposed timeframe to conduct the study.

PROPOSED FEE

Please identify your proposed consulting fee, which we ask to be a fixed amount plus reimbursable expenses. Please identify a not to exceed amount for reimbursable expenses.

OF PAGES AND COPIES OF RESPONSE TO PROPOSAL

We ask that you please keep your proposals to no more than eight pages including your cover letter. We ask that you please submit six copies of your proposal. The City of Edina will copy and distribute any additional copies as needed for the review process.

DEADLINE

Proposals should be received no later than Monday, January 30, 2012.

SELECTION PROCESS

With assistance from staff, the Edina Art Center Board will select and recommend a finalist to the City Council for final approval. It is yet to be determined if there will be interviews required of the finalists. The City of Edina reserves the right to select a

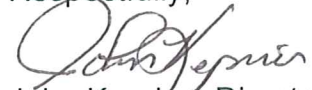
consulting firm based on which one appears to offer the best value to the City of Edina and not necessarily the lowest bid.

Please submit your proposal to:

John Keprios, Director
Edina Park and Recreation Department
4801 West 50th Street
Edina, MN 55424

If you have any questions, feel free to contact me at 952-826-0430 or
JKeprios@ci.edina.mn.us.

Respectfully,

A handwritten signature in dark ink, appearing to read "John Keprios", written over the printed name.

John Keprios, Director
Edina Park and Recreation Department

**LIST OF CONSULTANTS TO RECEIVE THE
REQUEST FOR PROPOSAL FOR
THE EDINA ART CENTER STUDY**

Stantec
2335 West Highway 36
St. Paul, MN 55113-3819
(651) 636-4600
fax (651) 636-1311

George Watson, President
Brauer & Associates, Ltd.
10417 Excelsior Boulevard
Suite #1
Hopkins, MN 55343

TSP ONE, Inc.
21 Water Street
Excelsior, MN 55331
(952) 474-3291
fax (952) 474-3928

TKDA & Associates Inc.
444 Cedar St.
1500 Piper Jaffray Plaza
St Paul MN 55101
(651) 292-4400
fax (651) 292-0083

Wold Architects
305 St. Peter Street
St. Paul, MN 55102
(651) 227-7773
fax (651) 223-5646

Leo A Daly
730 Second Avenue South
Suite 1100
Minneapolis, MN 55402-2455

SRF Consulting Group, Inc.
One Carlson Parkway North
Suite 150
Plymouth, MN 55447-4443
phone: 763.475.0010
fax: 763.475.2429
www.srfconsulting.com

Tammy S. Magney, Partner
ATS&R
8501 Golden Valley Road Suite 300
Minneapolis, MN 55427

Robert Kost, ASLA, AICP, LEED AP
Director of Planning and Urban Design
Short Elliott Hendrickson, Inc. (SEH)
Butler Square Building, Suite 710C
100 North 6th Street
Minneapolis, MN 55403-1515
Office: 612-758-6715
Cell: 612-247-4704
Email: bkost@sehinc.com

BWBR Architects, Inc.
380 St. Peter Street,
Suite 600
St. Paul, MN 55102
651-222-3701 | bwbr.com

AECOM Ellerbe Becket
800 LaSalle Avenue
Minneapolis, MN 55402
612-376-2000 | ellerbebecket.com

HGA Architects & Eng.
701 Washington Ave. N.
Minneapolis, MN 55401
612-758-4000 | hga.com

DLR Group
520 Nicollet Mall
Suite 200
Minneapolis, MN 55402

Cunningham Group Architecture, P.A.
201 Main Street Southeast, Suite 325
Minneapolis, MN 55414
612-379-3400 | cunningham.com

Hoisington Koegler Group, Inc.
123 North Third Street
Suite 100
Minneapolis, MN 55401-1659

Conventions, Sports & Leisure International
520 Nicollet Mall
Suite 440
Minneapolis, MN 55402

292 Design Group
9100 49th Avenue North
New Hope, MN 55428

Ballard*King & Associates
2743 E. Ravenhill Circle
Highlands Ranch, CO 80126

George Sutton
468 Dayton #8
St. Paul, MN 55102

George Sutton
C/O James Sewell Ballet Suite 215
Cowles Center for Dance and the Performing Arts
528 Hennepin Avenue
Minneapolis, MN 55403

Nancy J. Lee
Independent Consultant
1460 Scheffer Avenue
St. Paul, MN 55116

Herman Milligan
5156 Washburn Avenue South
Minneapolis, MN 55410-2252

Wolf Brown
808 A Oak Street
San Francisco, CA 94117
847-728-0954

Performing Arts Consultants Group
339 W. Webster
Suite 5E
Chicago, IL 60614

Management Consultants for the Arts, Inc.
400 Main Street
Suite 400
Stanford, CT 06901

Alice George
alice@alicegeorge.org

Durel Consulting Partners
2408 Steele Road
Baltimore, MD 21209

AMS Planning & Research
P.O. Box 423
South Port, CT 06890

AEA Consulting
544 Main Street
Beacon, NY 12508

Arts Action Research
423 Atlantic Avenue
Suite 1E
Brooklyn, NY 11217

From: Bill McCabe [mailto:wjmccabe4@gmail.com]

Sent: Monday, February 27, 2012 11:41 AM

To: Michael Frey; hafedb@comcast.net; marbuchok@gmail.com; barbara.lavalleur@gmail.com; danajolapp@gmail.com; rameifert@comcast.net; t_mohtadi@yahoo.com; justinrawrr@gmail.com; colinnelson683@gmail.com; kodea.mn@gmail.com; traechle@culturaldilemma.com; john103179@gmail.com

Cc: Phil Johnson; Sandra Shaughnessy; Anne Spooner; John Keprios; Ann Kattreh

Subject: RE: February Board Meeting and RFP

Michael,

Thanks for your update on the City Council review. My comments on the RFP and responses follow.

1. The receipt of only two responses to the RFP leads me to believe the scope of work seemed daunting to some prospective consultants. In general, I agree with the Art Center Board's resolution that the RFP be rewritten and sent again. On the other hand, I agree with John Keprios' concern that delaying the selection of a consultant leaves the City without information that would support an Art Center leadership decision.

2. The consultant should consider only two or three areas of prospective study including Programs and Services, Location and Finances. The results of studying these areas should provide enough data to inform a fairly thorough report and would probably lead to the identification of other questions for future consideration.

3. Form of organization is a very focused question and should be dealt with separately. I don't think now is the time to open this discussion. If the City Council decides to negotiate with the two respondents to the RFP, this should be removed from the scope of work.

4. We have about 900 members and many more faculty and students who should be in the first round of information and opinion gathering.

5. I had an opportunity to comment on the original RFP and did not. If the City Council chooses to revise the RFP, I would make specific comments.

I am available to attend the City Council meeting if it would be helpful. Let me know if you have questions.

Bill

Bill McCabe
612-220-7700
wjmccabe4@gmail.com

	Lee	Sutton	Comment
Organizational Structure	Discussion of alternatives - proposes to bring in law partner	Explore alternative organizational structures and funding - has partnership with legal counsel	Sutton might be going a bit too far by looking at funding for alternative physical structures
Mission	Understand current mission - no explicit mention of recommendations for changing/expanding mission if necessary	Facilitate discussion with stake holders - provide comparables - make recommendation for distinguishing EAC	
Programs, Services, Partnerships	no explicit mention of analysis of data for curent programs - relies on "impressions" from the steering committee meeting #1	examinatin of current programs, participation and cost structure	Lee is lacking an approach to some "forensic analysis". Data rule!!
Operations	facilitate meeting #2 to explore ideas from comparable centers	SWOT analysis of operations and financials, benchmarks, best practices for optimizing revenue	Lee's aproach seems simplistic - no operational analysis of EAC planned
Benchmarks and Comparables	Research comparable centers - unclear whether they are familiar with benchmarking process - discuss what could benefit EAC with steering committee	Explicit benchmarking process	
Marketing, Advertising, Registration and membership	Not addressed, deferred to later study.	Benefits analysis - comparables. Marketing analysis - effectiveness - demographic forecast.	
Cost	\$20K	\$45K	
Comment	The idea of a steering committee is positive, ensures the study stays on track - on the other hand the approach seems a bit too much internally focussed	Stakeholder involvement limited to examination of mission - would benefit from steering committee to check in at least once a month	
	a lot of facilitation/exploration and self evaluation with steering committee, unclear how much actual recommendation will be gained	might be able to cut back on cost by limiting the legal/funding scope and the architectural/building evaluation component.	
Recommendation		Ask Sutton to break out legal and architectural cost - see whether cost saving possible by limiting scope or using cheaper legal advice	
		Add steering committee	
		Ask for clarification of operations, programming and financial analysis.	

	Nancy J. Lee	Sutton + Associates		Nancy J. Lee	Sutton + Associates
RFP QUALITIFCATIONS MATRIX			NOTE S		
Overall understanding of the project	5	5			
Capability to perform all aspects of the project according to the timeline outlined in the RFP.	5	3		Details completion of tasks based on an April or May start date.	Should state completion dates based on a proposed starting date. Timeline may shift if project starts mid-March or later for example.
Experience in past 10 years w/comparable projects (size & scope)	3	3		Should provide completion dates for projects listed in RFP response to determine how many have been completed within past 10 years.	Should provide completion dates for projects listed in RFP response to determine how many have been completed within past 10 years.
Experience doing studies examining organizational structure issues city/government-run arts organizations	3	3		Details non-governmental organizational experience, but does not specify whether she or external consultant has done projects for governmental agencies in this area.	Would have been nice to include this experience in scope of work summary for projects listed.
Knowledge of organizational structure issues as outlined in RFP	5	4		Extensive experience as detailed in RFP response.	RFP response indicates some level of sophistication in this area. Additional consultants adds expertise.
Familiarity with City of Edina and/or Edina Art Center	4	1		Provides very good overview of Edina Art Center programming and services.	Unknown. Not mentioned in response.
Knowledge of issues pertinent to desired mission, programs, services and partnerships as outlined in RFP	5	3		Extensive experience as detailed in RFP response.	Would have been nice to include this experience in scope of work summary for projects listed.
Knowledge of issues pertinent to operations as outlined in the RFP	4	4		RFP response indicates some level of sophistication in this area. Additional consultant adds expertise relative to tax-exemption issues.	RFP response indicates some level of sophistication in this area. Additional consultants adds expertise.

Knowledge or research done about the topic beyond what was described in the RFP narrative	4	3
Knowledge of issues pertinent to benchmarking as outlined in the RFP	2	2
Ability to examine and comment on marketing, advertising, registration and memberships based on prior project experience	3	3
Workload and existing commitments (if described)	1	1
Professional background of key personnel as evidenced by education and experience	5	5
Quality and clarity of writing (as gleaned from cover letter and response)	5	5
Project cost relative to proposed services to be delivered	5	3
Total	54	43

Could achieve 75 points if rated "5" on all categories.

Ranking Guidelines

I ranked each candidate in all pertinent areas from 1 to 5, with 5 being the highest.
(1) indicates does not meet criteria; (5) indicates greatly excels in this criteria

Extensive experience as detailed in RFP response. Given applicant experience, it would have been nice to provide benchmarking examples from other projects without naming specific organizations.	Would have been nice to include this experience in scope of work summary for projects listed. Given applicant experience, it would have been nice to provide benchmarking examples from other projects without naming specific organizations.
Would have been nice to include this experience in scope of work summary for projects listed.	Would have been nice to include this experience in scope of work summary for projects listed.
Not included in RFP response.	Not included in RFP response.
Very qualified.	Very qualified.
Very good.	Very good.
Cost is more competitive relative to tasks and responsibilities.	Cost is higher given the greater number of external consultants to be hired.
Offers opportunity to create feedback sessions with City of Edina staff throughout process via Steering Committee meetings.	